

March 8, 1976

SENATOR DUIS: I'm not going to resolve this with anybody any longer. I want to be sure that yours is only "within".

SENATOR DeCAMP: Mine is "doctors within Nebraska".

SENATOR DUIS: Because Senator Dworak has the key to the problem and that is we should have been, all this time based on the loss ratio in Nebraska instead of that we're based on the loss ratio in the United States. I think you, Senator DeCamp, for defining yours to the State of Nebraska because you have a true bill then. The other is not a true bill, it's federal legislation. We're going to go outside the state so, therefore, we will not have, in the hospital, a true picture of what happens in Nebraska. We will have other states. I thank you very much for confining yours to the state because that is absolutely necessary.

Now, Senator Dworak, does that give you a better idea of what happened here? Thank you. I'll tell you for sure that there's only one way to take care of professional liability insurance in Nebraska and that is by using a Nebraska loss ratio. If we get tied up with other states we're going to be right back where we were before.

SENATOR SIMPSON: Senator Murphy for the second time.

SENATOR MURPHY: Question of, I guess, Senator Cavanaugh in as much as it relates to the hospitals. Senator Cavanaugh, we had some delineations originally in the hospital bill to try and achieve an actual loss base for Nebraska which has now been obviated again. I would question again the wording in Section 1 that says "hospitals, in forming their association, may also insure physicians". Does this mean we'll be insuring physicians outstate also under the hospital coverage? You'll find it in Section 1, I believe Senator. So now under our hospital we have hospitals and physicians in and out of Nebraska.

SENATOR CAVANAUGH: Section 1 reading: "may incorporate a mutual insurance association to insure member hospitals or officers, directors, employees and volunteer workers against liability arising from rendering or failing to render professional services and treatment or care of patients by hospitals, their agents or employees, or by member physician".

SENATOR MURPHY: If I'm not mistaken every doctor is a member of some hospital staff or he is not allowed to practice there.

SENATOR CAVANAUGH: Yes.

SENATOR MURPHY: So we now are insuring doctors outstate as well as hospitals?

SENATOR CAVANAUGH: Well no.